

Suspend the Rules and Pass the Bill, H.R. 2444, With an Amendment

(The amendment strikes all after the enacting clause and inserts a new text)

116TH CONGRESS
1ST SESSION

H. R. 2444

To authorize the Secretary of State to make direct loans under section 23 of the Arms Export Control Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 1, 2019

Mr. McCAUL introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To authorize the Secretary of State to make direct loans under section 23 of the Arms Export Control Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Eastern European Se-
5 curity Act”.

1 **SEC. 2. SENSE OF CONGRESS.**

2 It is the sense of Congress that it is in the national
3 security interest of the United States to—

4 (1) deter aggression against North Atlantic
5 Treaty Organization (NATO) allies by Russia or any
6 other adversary;

7 (2) assist NATO allies in acquiring and deploy-
8 ing modern, NATO interoperable military equipment
9 and reducing their dependence on Russian or former
10 Soviet-era defense articles;

11 (3) ensure that NATO allies meet alliance de-
12 fense commitments, including through adequate in-
13 vestments in national defense;

14 (4) supplement existing grant assistance to key
15 allies through foreign military financing loans, at
16 rates competitive with those already available on
17 commercial markets, to purchase NATO-interoper-
18 able military equipment; and

19 (5) work to maintain and strengthen the demo-
20 cratic institutions and practices of all NATO allies,
21 in accordance with the goals of Article 2 of the
22 North Atlantic Treaty.

23 **SEC. 3. FOREIGN MILITARY LOAN AUTHORITY.**

24 (a) IN GENERAL.—Beginning in fiscal year 2021,
25 subject to the notification requirements under subsection

1 (b) and to the availability of appropriations, the President,
2 acting through the Secretary of State, is authorized—

3 (1) to make direct loans under section 23 of the
4 Arms Export Control Act (22 U.S.C. 2763) to
5 NATO member countries that joined the alliance
6 after March 1, 1999, notwithstanding the minimum
7 interest rate required by subsection (c)(1) of such
8 section; and

9 (2) to charge fees for such loans under para-
10 graph (1), which shall be collected from borrowers in
11 accordance with section 502(7) of the Congressional
12 Budget Act of 1974, and which may be used to
13 cover the costs of such loans as defined in section
14 502 of the Congressional Budget Act of 1974.

15 (b) NOTIFICATION.—A loan may not be made under
16 the authority provided by subsection (a) unless the Sec-
17 retary of State submits to the appropriate congressional
18 committees a certification, not fewer than fifteen days be-
19 fore entering into an agreement to make such loan, that—

20 (1) the recipient country is making demon-
21 strable progress toward meeting its defense spending
22 commitments in accordance with the 2014 NATO
23 Wales Summit Declaration; and

24 (2) the government of such recipient country is
25 respecting that country's constitution and upholds

1 democratic values such as freedom of religion, free-
2 dom of speech, freedom of the press, the rule of law,
3 and the rights of religious minorities.

4 (c) REPAYMENT.—A loan made under the authority
5 provided by subsection (a) shall be repaid in not more than
6 12 years, but may include a grace period of up to one
7 year on the repayment of the principal.

8 (d) APPROPRIATE CONGRESSIONAL COMMITTEES
9 DEFINED.—In this Act, the term “appropriate congres-
10 sional committees” means—

11 (1) the Committee on Foreign Affairs and the
12 Committee on Appropriations of the House of Rep-
13 resentatives; and

14 (2) the Committee on Foreign Relations and
15 the Committee on Appropriations of the Senate.